

**TOURISM EXPENDITURE REVIEW COMMITTEE
MEETING MINUTES
April 19, 2004
Room 2E21 of the SC Department of Revenue, 10:30 a.m.**

ATTENDANCE:

Committee Members in Attendance: Frans Mustert, Chairman; Lanneau Siegling, John Curry, David Warren, Suzette Surkamer, Susan Cruse, Toni Nance, Rod Swaim and Mark Williams.

Staff in Attendance: Damita Jeter, TERC Staff.

Guests in Attendance: John Hoefler, Willoughby and Hoefler.

CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:

- **Minutes:** The Committee motioned to approve the March 15, 2004 meeting minutes as submitted.
- **Travel Vouchers:** The Committee submitted their travel vouchers to Mrs. Jeter. Mrs. Jeter distributed reimbursement checks to those applicable committee members.
- **Review of TERC Expenses:** Mrs. Jeter shared with the Committee the monthly expenses incurred by TERC.
- **Newsletter Approval:** The Committee approved the quarterly newsletter and requested that Mrs. Jeter share it with the S.C. Hospitality Association so that Mr. Sponseller can distribute to his members.
- **Legislative Changes:** The Committee discussed the proposed draft legislation with John Hoefler, TERC's legal counsel. The final edition was presented by Mr. Tom Sponseller to the SCDOR, who attached it as part of their final cleanup bill. Mr. Hoefler told the Committee that Mr. Sponseller would be meeting with the S.C. Municipal Association and the S.C. Association of Counties regarding the legislation, and TERC would need to seek his guidance on any lobbying efforts they might need.
- **Florence County Update: At this point the Tourism Expenditure Review Committee voted to enter into executive session in order to discuss privileged information between attorney and client.**
- **Orangeburg County Compliance:** Orangeburg County sent the Committee a letter stating that its committee was now in compliance. However, Mr. Curry learned that the new member on the local committee is not in compliance either. Her appointment in the hospitality industry is from a chamber of commerce, which is not appropriate. She is retired from her antiques business, which might be considered hospitality and is doing charity work. The Committee voted to advise the County they had another 30 days from receipt of our letter to comply or the TERC would request the State Treasurer's office to withhold funds.
- **Myrtle Beach Issue:** Before the Myrtle Beach letter was sent questioning why the City approved expenditures not approved by the local committee and questioning the non profit status of several expenditures, Mr. Mark Williams asked that TERC re-examine the letter and its overall tone. After some discussion, the Committee agreed to revise the

letter. The revised letter would then be sent to various committee members for input before it is distributed.

RESPONSES TO LETTERS REVIEWED BY TONI NANCE/LANNEAU SIEGLING:

- **Berkeley County:** The Committee approved the County's explanation about its imbalances; however, their local accommodations tax oversight committee is still not in compliance. The Committee voted to draft a letter to the County telling them they had 30 days from receipt of the letter to become compliant or the Committee would request the State Treasurer's Office to withhold funds.
- **Chester County:** The Committee reviewed the County's explanations about its expenditures (which are actual applications), and still could not determine appropriateness. The Committee voted to request the County to once again submit additional information or it may choose to request funds be withheld. Additionally, the County's local committee is not in compliance, and the Committee asked them to address it or it may request funds be withheld.
- **City of Gaffney:** The Committee accepted the City's correspondence about questionable expenditures.
- **City of Georgetown:** The Committee accepted the City's correspondence about carry forward funds.
- **Georgetown County:** The Committee accepted the County's response about its information-gathering processes to track tourists.
- **Colleton County:** The Committee accepted the City's correspondence about questionable expenditures.
- **Cherokee County:** The County still has not responded to the Committee's request of giving its 30% funds to a proper organization. The Committee voted to draft a letter asking them to do so within 30 days, or the Committee will request funds be withheld.
- **Pickens County:** This entity has half of the needed information in to the Committee. Mrs. Jeter said she has been in touch with them, and requested TERC allow them to next month's meeting to have all of the information.

RESPONSES TO LETTERS REVIEWED BY ROD SWAIM/LANNEAU SIEGLING:

- **Dillon County:** The Committee accepted the County's explanation of the method of its disbursement of 65% funds.
- **Town of Sullivans Island:** The Committee agreed to allow the Town until next month to get in its committee list.

REVIEWED BY SUSAN CRUSE/DAVID WARREN:

- **City of Greer:** The Committee agreed to draft a letter asking the City to expend more of its 30% funds. It appears it has expended not enough of these funds.
- **City of Simpsonville:** The Committee agreed to draft a letter asking the City of Simpsonville to explain in more detail its expenditures, specifically one for a local fair. Also, the Committee is concerned with the vacancies on the local committee level.

- **Greenville County:** The Committee agreed to draft a letter questioning several questionable expenditures and imbalances.
- **City of Easley:** The Committee agreed to draft a letter questioning several questionable expenditures and imbalances.

OTHER BUSINESS

- Mrs. Jeter was asked to inquire about putting a counter on the Committee's website or some other "hit" tracking system.
- Mrs. Jeter was directed to ask Mr. Hoefler about two issues: 1) the appropriateness of her "copying" Mr. Mustert's signature on letters after approval and consent was given 2) whether or not 65% funds can go to an organization that, although will use the funds to attract, provide for and promote tourists, also awards scholarships or funds to a charitable organization in conjunction with its "tourist" event.

TERC decided that its next meeting would be conducted via conference call on May 17. Room 2E21 will also be available for those located in the Columbia area to confer and host the conference call, starting at 10:30 a.m. There being no other business, the Committee adjourned.

Respectfully Submitted,

Damita S. Jeter

Damita S. Jeter, TERC Staff